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FCC Mail Room

Appeal Request for review

February 16, 2012

Letter of Appeal request for review
Marlene H. Dortch
Federal Communications Commission
Office of the secretary
9300 East Hampton Drive
Capital Heights, MD 20743

RE: Request for review

Yeshiva Karlin Stolin School
CC Docket No. 96-45
CC Docket No. 02-6
Billed Entity Number 11557
David Stein
Contact Phone Number: 1-718-232-7800 Ext. 115
Contact Fax: 718-679-9529
Contact Email Address: dsteinbp@gmail.com
Billed Entity Number 11557
Application Number: 765478
Funding Request Number: 2070572
FCC Registration Number: 0011959566

To Whom It May Concern:

This appeal is in response to a denial letter received for FRN 207052

In February 2008 we signed an Internal Connection agreement with a vendor for one server, cabling, wiring etc... By the time July 1, 2008 came around we received a Proliant DL380 G2 to be used as our terminal server. The idea looked promising and we went ahead with it, using it as our terminal server. Despite the server being a good brand, it was heavily used and required higher maintenance than anticipated. We were unable to purchase another server because we could not afford it and e-rate would not fund it due to the 2 in 5 rule. We will request a new server in the new funding year as we will be entitled to it based on the 2 in 5 rule thereby lowering the need for high maintenance.

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The figure of \$14,400 for the server maintenance was strictly based upon the history of services provided at the prior year (2009). The average amount of hours of service in the year 2009 with the 2 servers listed above exceeded 8 hours per month. We did not calculate it in comparison to the value of a new server, being a new server was not an option for us under the 2 in 5 rule and too expensive for us to purchase as we didn't have funds allocated for it in our budget.

The denial of the FRN stated the following:

We have completed our review and determined that FRN 2070572 will be denied because your request has not been justified as cost effective as required by FCC rules.

We choose to appeal this decision based on incorrect judgment. The FCC rule requires us to do things that are "cost effective". Everything we do is cost effective as will be explained.

The FCC has another rule called 2 in 5 rule which means Internal connections can only be requested 2 out of every 5 years. Year 2008 was our second year in the 2 in 5 rule for Internal Connections. For years 2009, 2010 we were not able to request any Internal connection but rather only internal connection maintenance. For these two years we need to do the best we can with our existing equipment. As expensive as maintenance might be, we cannot calculate it in comparison to the price of a new piece of equipment because it will not be funded by USAC under USAC 2 in 5 rule. Unless, we can pay 100% out of pocket for a new piece of equipment in which in our case funds have not been allocated in the budget for that.

Our Internal Maintenance request for the year 2010 was \$17,808 in which was denied by Special Compliance Team. Its approval should be reconsidered based upon the arguments above and details of charges below.

Equipment details

Servers:

PowerEdge 2900: DNS/DHCP/Email Server:

- Quad Core Xeon Processor E54202x6MB Cache, 2.5GHz, 1333MHz FSB
- 4GB 667MHz (4X1GB), Dual Ranked Fully Buffered DIMMs
- 3- 300GB 15K RPM Serial-Attach SCSI 3Gbps 3.5-in Hot Plug Hard Drive
- PERC6i SAS RAID/Integrated SAS/SATA RAID 5 PERC 6/i Integrated
- Redundant Power Supply with Dual Cords for PowerEdge 2900
- 3 Year 4-Hour 7x24 On-site Service After Problem Diagnosis

Proliant DL380 G2: (Terminal Server)

- 2 x 2.4 Xeon Processors
- 4GB RAM
- Raid 1 2x36GB Hard Drives
- Raid 5 3x73GB Hard Drives
- Redundant Power

Backup Software and Backup Drive:

- Backup Exec 12 for Windows Server/Exchange Server Agent
- PowerVault 110T, LTO2-L Tape Backup, 200/400GB w/Controller, Internal

Operating System and Exchange Server:

- Microsoft 2008 Server Standard and 20 CALS; Exchange 2007, 20 CALS

UPS Batteries:

- APC Smart-Ups 1500 USB
- Smart 450 VA SC UPS System

Network Switches and Firewall/Routers:

- Dell 24 Port Gigabyte PowerConnect Switch
- Sonicwall 2040 Pro Firewall

80 Network Wiring, Includes Jacks and Patch Cords

3 Fiber Wiring

how the cost of maintenance in the amount of \$17,808 was derived.

Please see a copy providers support log indicating how we derived the amount of hours needed for maintenance on server.

\$14,400 for a bit over 8 hours per month for the following:

- Reviewing logs to make sure servers are running smoothly
- Updating servers
- Defragmenting hard drives
- Making sure all hardware is running on latest firmware
- Adding users/email addresses
- Will also cover troubleshooting all network equipment
- Labor cost of fixing or replacing any malfunctioning equipment

Copy of vendor log for July 2009- June 30 2010 Showing an above 8 hours per month average.

Date	Problem	L
7/9/2009	Troubleshoot Internet Connection Problem	
7/14/2009	Troubleshoot Connection to Network / Bad Replaced Bad Jack	
8/10/2009	Preventive Maintenance / Checked and tested all wires, switches, Fiber, UPS's, Servers	
9/3/2009	Setup new Users/Email Addresses Removed old Email Addresses	
9/8/2009	Terminal Server Crashed/Recovered Data Reinstalled Server and Connected to Network	
9/14/2009	Students were not able to connect to Terminal Server	
9/23/2009	Users Complained of Emails Bouncing Back	
9/29/2009	Terminal Server Running Slow	
10/15/2009	Terminal Server was Rebooting on its own and diagnosed problem with ups	
10/30/2009	Checked Backups; Replaced 2 damaged Jacks	
11/4/2009	Terminal Server was not able to start; Kept Blue screening; Found bad Memory Chip	
11/5/2009	Replaced Memory in Terminal Server	
11/16/2009	Users Kept loosing Connection to TS	
11/19/2009	Server was not resolving DNS	
11/30/2009	Troubleshoot Backup	
12/17/2009	Troubleshoot Terminal Server / Found Virus	
12/28/2009	Found Bad Power Supply in Terminal Server / Fixed Backup	
1/8/2010	Replaced P/S in Tserver; User couldn't connect to network / Ran new Wire	
1/15/2010	Added Backup DNS Services to TS	
1/19/2010	Internet Went Down / Problem with Firewall	
1/25/2010	Repaired Internet Connection	
2/1/2010	Terminal Server running Very Slow	
2/5/2010	Ran Updates on Servers and Switches	
2/9/2010	Computers weren't receiving DHCP	
2/15/2010	Students could not send emails	
2/24/2010	Troubleshoot Errors in Event Log on Terminal Server	
3/10/2010	Backup Stopped Working	

3/12/2010	Setup new Backup Tapes
3/15/2010	Bad Hard Drive on Terminal Server
3/17/2010	Replaced Hard Drive in Terminal Server
3/18/2010	1 User could not Connect to Network
4/8/2010	Checked problems on Terminal Server; Fixed Errors and network connection
5/17/2010	Terminal Server Crashed / Troubleshoot and Reinstalled OS
5/21/2010	Fixed Email problem
5/25/2010	Fixed backup problem
5/27/2010	Users could not connect to network / Reset Switches
6/2/2010	Ran Windows Updates on Servers
6/10/2010	Found Dead Fan in Terminal Server
6/22/2010	Replaced bad Fan

Servers maintenance rate for funding year 2010 calculation:

\$150 per hour x 96 hours = \$14400

- 80 Network Wiring, Includes Jacks and Patch Cords, and 3 Fiber Wiring.
Please indicate the cost of this cabling maintenance portion alone.

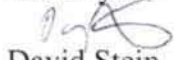
\$2200 for the following:

80 Network Wiring, Includes Jacks and Patch Cords, and 3 Fiber Wiring

\$1,200 Replacement costs

Your reconsideration for funding FRN # 2070572 would be greatly appreciated.

Thank you,



David Stein

718-232-7800 Ex 115



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2010-2011

December 20, 2011

David Stein
Yeshiva Karlin Stolin School
1818 54th Street
Brooklyn, NY 11204-1545

Re: Applicant Name: YESHIVA KARLIN STOLIN SCHOOL
Billed Entity Number: 11557
Form 471 Application Number: 765478
Funding Request Number(s): 2070572
Your Correspondence Dated: July 11, 2011

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2010 Notification of Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2070572
Decision on Appeal: **Denied**
Explanation:

- According to our records, it was determined that the above funding request for discounted services was not justified as being cost effective as required by the Schools and Libraries Support Mechanism's rules and procedures. The Basic Maintenance of Internal Connections cost per piece of equipment at \$2,228.57 was considered excessive. The FCC rules require that, in selecting the service provider, the applicant must select the most cost effective service or equipment offering, with price being the primary factor, which will result in it being the most effective means of meeting educational needs and technology plan goals. Additionally, the applicant's technology plans for requested services should be based on an assessment of their reasonable needs. Applicants that request services that are beyond their reasonable needs and thus not cost effective have violated the above rules. Since FRN 2070572 exceeded the applicant's reasonable needs,

this funding commitment was rescinded in full. On appeal, you have failed to demonstrate that USAC erred in its decision to rescind the funds committed. Consequently, your appeal is denied.

- FCC rules state that, in selecting a service provider, the applicant must carefully consider all bids submitted and must select the most cost-effective service or equipment offering, with price being the primary factor, which will result in being the most cost-effective means of meeting educational needs and the technology plan goals. *See* 47 C.F.R. secs. 54.511(a), 54.504(b)(2)(vii), 54.504(c)(1)(xi). *See also* Request for Review of the Decision of the Universal Service Administrator by Ysleta Independent School District, et al., CC Docket Nos. 96-45 and 97-21, Order, 18 FCC Rcd 26407, FCC 03-313 paras. 47-55 (Dec. 8, 2003) (*Ysleta Order*). Service providers shall not charge the entities a price above the lowest corresponding price. *See* 47 C.F.R. sec. 54.511 (b). In order to ensure that applicants are not requesting discounts for services beyond their reasonable needs, USAC denies funding request(s) for not being cost-effective. The costs of the products and services in a funding request should not be significantly higher than the costs generally available in the applicant's marketplace for the same or similar products or services. For example, equipment at prices two or three times greater than the prices available from commercial vendors would not be cost effective, unless there were extenuating circumstances. *See Ysleta Order* para. 54.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either USAC or the FCC. For appeals that have been denied in full, partially approved, dismissed, or canceled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company